

Presentation at the Wind Diesel Workshop 2004 Anchorage, Alaska, 28-30 September 2004

High Penetration of Wind Energy into Island Diesel Grids Experience from Cape Verde

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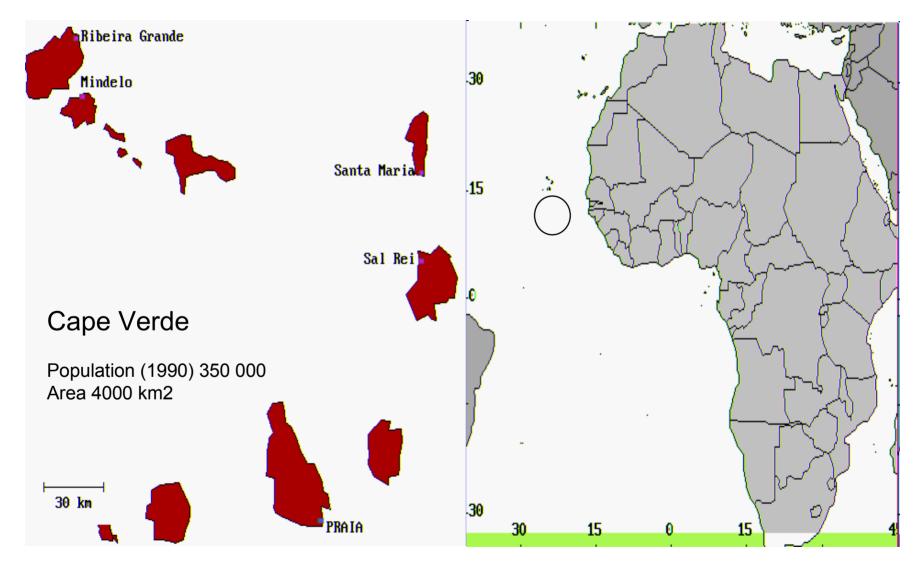


Overview of the presentation

- Introduction
- Overview of Wind Energy in Cape Verde
- Brief power system description
- Step 1 Wind Farm experience and power system performance
- Step 2 Feasibility & initiation of further expansion
- Conclusions and recommendations

RISØ

Cape Verde



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Cape Verde Power system - Status & experience with wind power

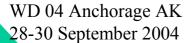


Fogo

São Tiago



Cape Verde



Brava

PRAIA

Wind Energy in Cape Verde





Wind power was used to pump sea water into basins to evaporate in the sun, leaving the salt to be traded

The old water pumpers were made by wood, some say driftwood.

One of the old water pumpers are now on display in the island Sal

Wind Energy in Cape Verde I



Republic of Cape Verde

Based on information from ELECTRA

| Location | Installation | Implementor | Donor/Investor | Working |
|-------------------------|--------------------------|----------------|--------------------|---------|
| Ponta d'Agua - Praia | 2x55 kW Vestas - grid | INIT | UNSO/Danida | No |
| Assomada - Santiago | 1x55kW Bonus - W/D | INIT | UNSO/Danida | No |
| Tarrafal - Santia | 1x30 kW Lagerwey W/D | MDR | Holland | No |
| Mt. R. Juliao - Mindelo | 10x30 kW Aeroman - grid | ELECTRA | Germany/KfW | 20% |
| Santa Maria - Sal | 1x75 kW Vestas - W/D | Morabeza Hotel | Morabeza Hotel | Yes |
| Palmeira - Sal | 2x300 kW NTK - W farm | ELECTRA | Danida/Cape Verde | Yes |
| Mt. Montona - Mindelo | 3x300 kW NTK - W farm | ELECTRA | Danida/Cape Verde | Yes *) |
| Mt. S. Felipe - Praia | 3x300 kW NTK - W farm | ELECTRA | Danida/Cape Verde | Yes |
| Brava | 1x150 NTK - W/D | Municipality | Germany/GTZ/Danida | Yes |
| Boa Vista | 5x15 kW Vergnet - W farm | Municipality | France | Yes **) |
| Matão - Santiago | 1x15 kW Vergnet - W/B | INERG | France | Yes |

^{*)} One temporarily down with gearbox problems; **) Performace to be enhanced by improved rotor

Island systems energy penetration 14%, power penetration 35% without problems

Wind Energy in Cape Verde II



Small systems

- Several systems of prototype nature
- Several not successful due to lack of skill of maintenance staff and immature technology
- At least one successful: SR&R system, skilled operator, commercial system
- Still activity in the area with new installations

Larger systems

- High penetration systems (14% annual energy coverage)
- Grid connected wind turbines on diesel grids
- No extra equipment
- Satisfactory operating experience
- Satisfactory power quality
- In the process of increasing the installed capacity and the penetration level



Wind energy resources

annual average wind speeds and Weibull parameters at 30 m height

| | U _{mean} (m/s) | Weibull - A (m/s) | Weibull - k |
|---------------------------|--------------------------------|-------------------|-------------|
| Praia - Mt. S. Filipe | 7.8 | 8.9 | 3.62 |
| Mindelo - Selada Flamengo | 10.4 | 11.7 | 4.02 |
| Sal - Palmeira | 7.4 | 8.3 | 3.62 |

There IS wind in Cape Verde





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Cape Verde Power system - Status & experience with wind power



Key figures for Cape Verde (step 1)

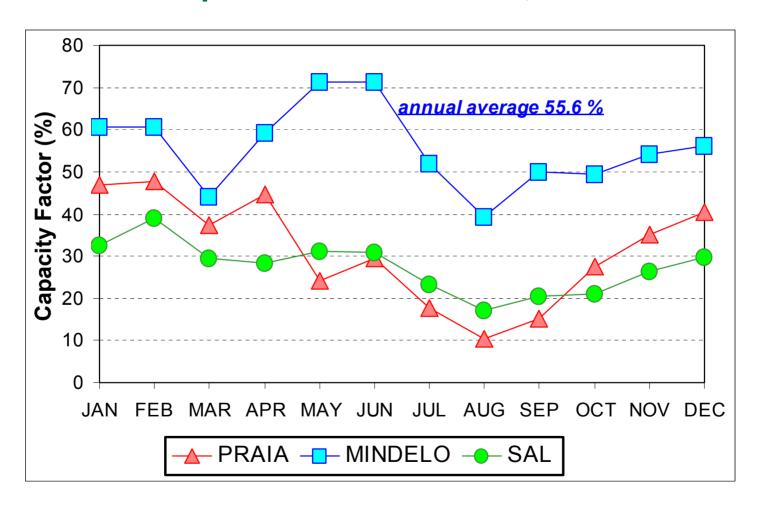
Operation statistics for Step 1 Wind Farms averages 1995 - 1997

| | Sal | Mindelo | Praia |
|-------------------------------------|---------|------------|---------|
| Available diesel capacity (MW) | 4 | 11 | 12 |
| Diesel fuel type | gas oil | heavy fuel | gas oil |
| Installed wind turb. capacity (kW) | 600 | 900 | 900 |
| Avg. wind speed at hubheight (m/s) | 7.4 | 10.4 | 7.8 |
| Annual wind energy production (MWh) | 1440 | 4390 | 2500 |
| Annual power system load (MWh) | 10120 | 32800 | 39870 |
| Avg. wind energy penetration (%) | 14 | 14 | 6.3 |
| Avg. wind turb. capacity factor (%) | 27 | 56 | 31 |
| Annual diesel fuel savings (t) | 340 | 970 | 615 |



Average monthly capacity factor

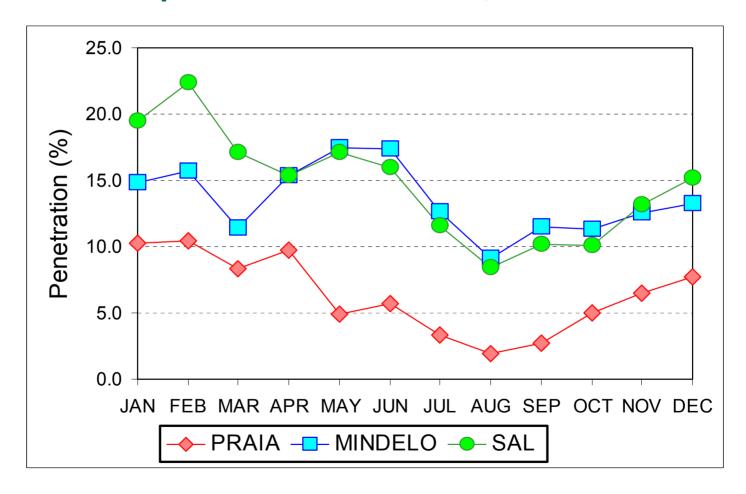
Step 1 wind farms - 1995, 96 & 97



Average monthly wind energy penetration



Step 1 wind farms - 1995, 96 & 97



Wind turbines at Mindelo

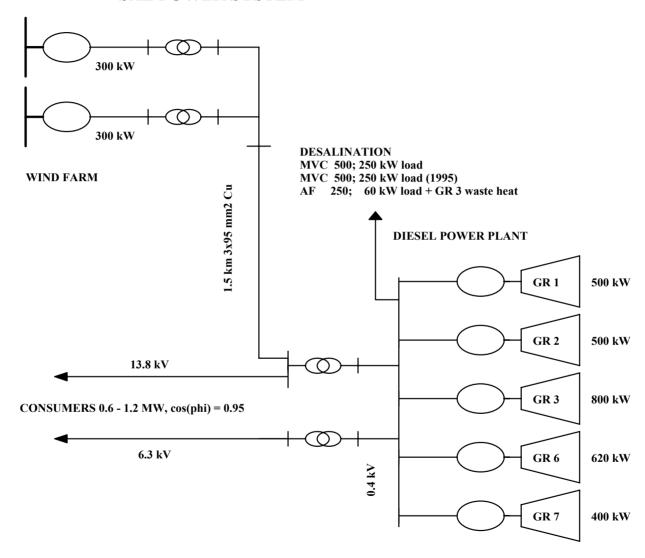






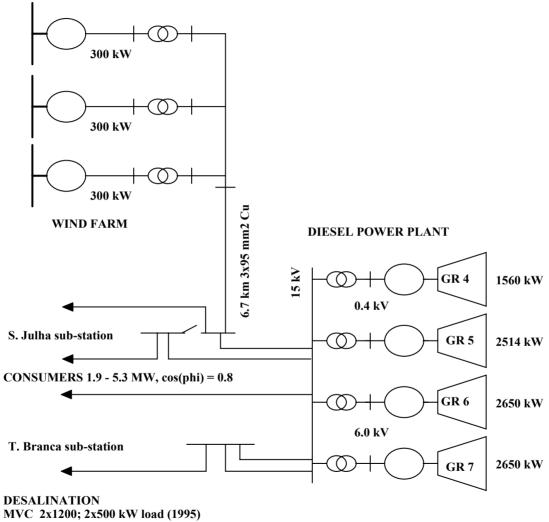


SAL POWER SYSTEM





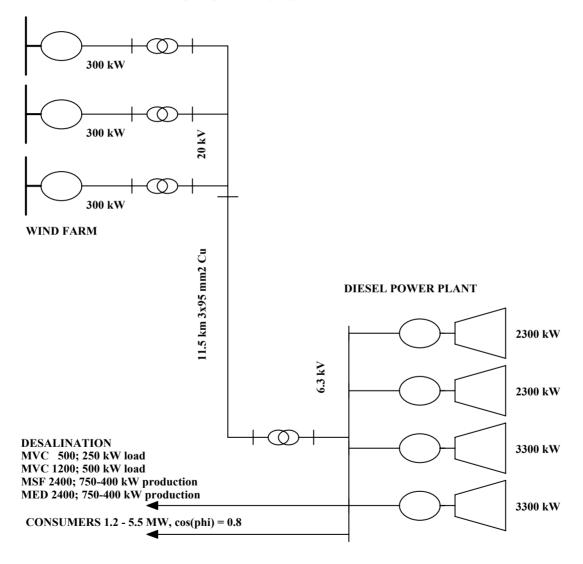
PRAIA POWER SYSTEM



MVC 2x1200; 2x500 kW load (1995)

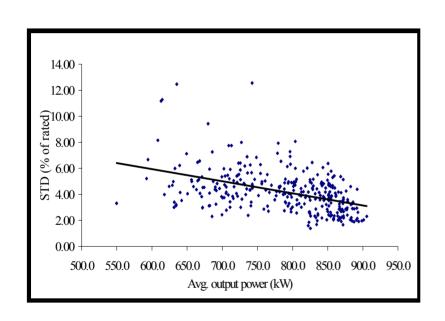


MINDELO POWER SYSTEM



Power quality - fluctuations in wind power





Possible impact of wind power fluctuations:

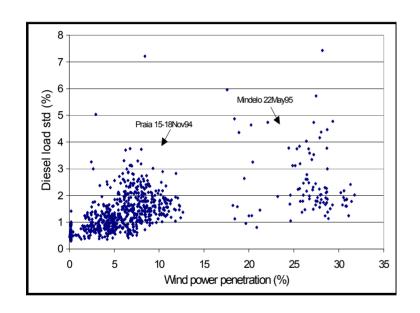
- level and fluctuations of voltage and frequency
- controllers of systems to prevent instability
- shape of the voltage
- distortion of voltage
- fluctuations of diesel generator power

Keep power fluctuations small

Fluctuation levels decrease with increasing number of wind turbines and increasing power output

Power quality - fluctuations in diesel load





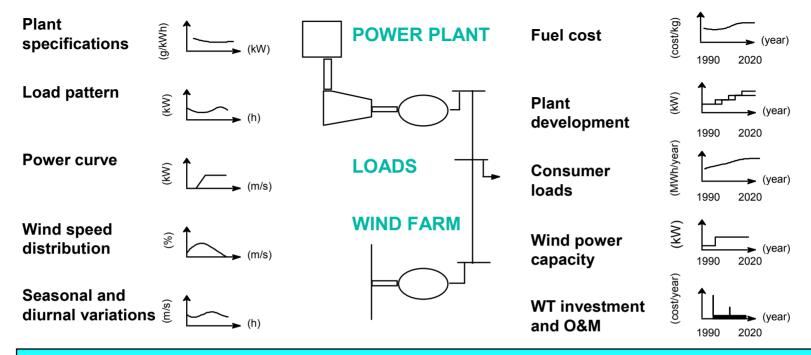
Diesel power output fluctuations typically increase with increasing wind energy penetration

Example - standard deviation below 10% of rated power for diesels:

- no increased tear or wear
- no increased specific fuel consumption

WINSYS modellering



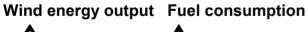


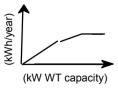
Load dispatching

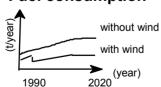
WINSYS

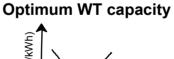
Unit

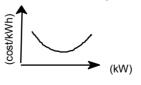
commitment

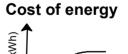


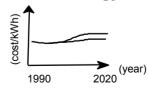


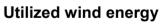


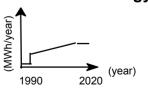






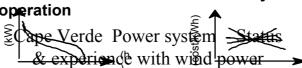






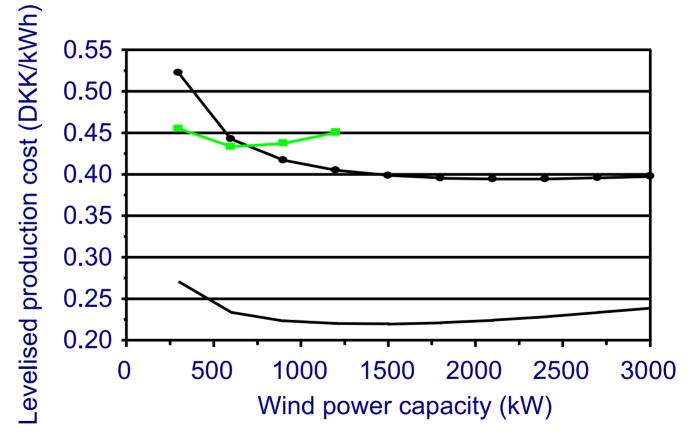


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Cost of energy vs. wind farm size



Validation of modelling



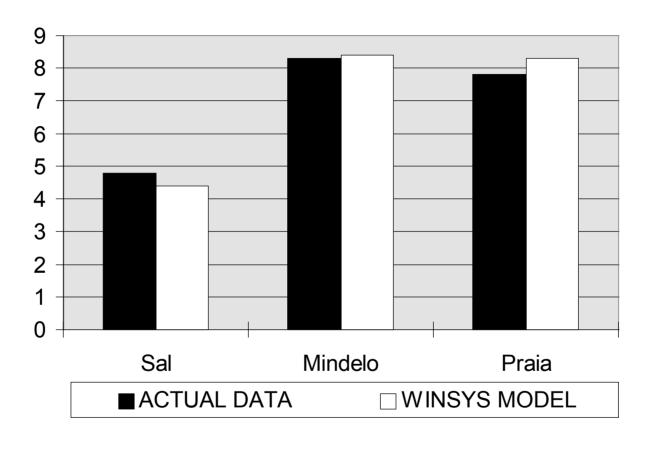


Figure 6 Comparison of actual fuel savings and result obtained by WINSYS modeling



Key figures for Cape Verde (step 2)

Feasibility study 1996, implementation decided 2000, project started 2002

| | | Sal | Mindelo | Praia |
|---|--|------|---------|-------|
| Existing Step 1 Wind Farm capacity (kW) | | 600 | 900 | 900 |
| Recommended Wind Farm expansion (kW) | | 600 | 1200 | 1800 |
| Production | Step 2 util. output (MWh/year) | 1366 | 4723 | 4146 |
| data for first | Step 2 fuel savings (t/year) | 288 | 1098 | 968 |
| year after | Step 1+2 total util. output (MWh/year) | 2835 | 9303 | 6585 |
| installation | Step 1+2 fuel savings (t/year) | 598 | 2151 | 1542 |
| (1997) | wind energy penetration (%) | 24 | 30 | 18 |
| Levelised pro- | Step 2 util. output (MWh/year) | 1446 | 5863 | 4777 |
| duction data for | Step 2 fuel savings (t/year) | 306 | 1331 | 1046 |
| the 20 years | Step 1+2 total util. output (MWh/year) | 2915 | 10473 | 7217 |
| lifetime | Step 1+2 fuel savings (t/year) | 617 | 2378 | 1581 |
| (1997-2016) | wind energy penetration (%) | 16 | 19 | 7.5 |

Power system operation with Step 2 Wind Farms



| | Praia | Mindelo | Sal |
|--|-------|---------|-------|
| Step 2 wind farm capacity (kW) | 1800 | 1200 | 600 |
| Potential energy output (MWh/y) | 5350 | 6744 | 1578 |
| Annual utilized energy (MWh/y) | 4777 | 5863 | 1446 |
| Wind farm investment (USD/kW) | 892 | 892 | 892 |
| Other investments (USD/kW) | 433 | 472 | 426 |
| Total investment (USD/kW) | 1325 | 1364 | 1318 |
| O&M (% of wind farm investment) | 2.5 | 2.5 | 2.5 |
| Retrofit cost (% of wind farm invest.) | | 10 | 10 |
| Salvage value (% of wind farm invest.) | | 0 | 0 |
| Capacity credit (%) | | 44 | 18 |
| Annual fuel savings (ton/y) | | 1331 | 306 |
| Diesel plant operation time savings (hours/y) | 282 | 1306 | 82 |
| Levelized production costs (USD/kWh) | | 0.034 | 0.066 |
| Wind energy penetration - 1. year Step 1+2 (%) | | 30 | 24 |
| Wind energy penetration - levelized Step 1+2 (%) | 7.5 | 19 | 16 |



Economic analysis

costs and benefits discounted to present value lifetime 20 years, discount rate 8 % p.a.

| | Praia | Mindelo | Sal |
|--------------------------------|-------|---------|------|
| Step 2 wind farm capacity (kW) | 1800 | 1200 | 600 |
| Step 2 wind farm costs (kUSD) | 2855 | 1949 | 947 |
| Annual utilized energy (MWh/y) | 4777 | 5863 | 1446 |
| Fuel savings (kUSD) | 2848 | 2975 | 1030 |
| Non fuel O&M savings (kUSD) | 36.5 | 166 | 8.2 |
| Capacity credit (kUSD) | 260 | 327 | 65 |
| Net present value (kUSD) | 290 | 1519 | 156 |
| Internal rate of return (%) | 9.8 | 20.5 | 10.6 |
| External savings (kUSD) | 722 | 886 | 218 |
| Net present value (kUSD) | 1012 | 2405 | 374 |
| Internal rate of return (%) | 13.8 | 27.0 | 14.1 |



Wind energy impact on power system

| | | Sal | Mindelo | Praia |
|---|--|------|---------|-------|
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Conclusions



Evidence has been provided from Step 1 Wind Farms

- that wind power is feasible at wind energy penetration levels at least up to 25% with
 - a record high capacity factor of 55.6% as the average for 3 wind turbines for 3 years in Mindelo
 - average penetration for 3 wind farms in 3 years is 14%
 - maximum monthly wind energy penetration of 35% in Sal Feb. 1995
- that local power company and contractors can do local works
- that capacity building can be integrated in power company organization
- that modelling of power system performance (WINSYS) is possible

Wind farm expansion is feasible

- government policy and power company motivated and ready
- · economic optimum wind farm size is higher than recommended project size
 - national economy / power company finances / IRR of project / consumer price
 - internalization of the external savings due to environmental benefits improve the economics of the proposed project by 40%
 - lack of international experience makes uncertainties and risks seem high
- international need for such pilot and demonstration projects